Division (s): ALL

CABINET – 19 NOVEMBER 2019

OXFORDSHIRE LOCAL AGGREGATE ASSESSMENT 2019

Report by Director for Planning & Place

RECOMMENDATION

1. **The CABINET is RECOMMENDED to, subject to consideration of any advice from the South East England Aggregate Working Party,**

(a) approve the inclusion of the provision level figures in paragraph 30 of the report in the Oxfordshire Local Aggregate Assessment 2019 for use as the basis for provision for mineral working in the Oxfordshire Minerals and Waste Local Plan and for calculating the Oxfordshire landbank;

(b) authorise the Director for Planning and Place in consultation with the Cabinet Member for Environment to finalise the Oxfordshire Local Aggregate Assessment 2019 and to publish it on the Council website.

Executive Summary

2. Under the National Planning Policy Framework, July 2018 (NPPF), mineral planning authorities should prepare an annual Local Aggregate Assessment (LAA).

3. The purpose of an annual Local Aggregates Assessment is to review the latest information available in order to forecast future demand as well as analysing all aggregate supply options and assessing the balance between supply and demand. The LAA sets the level of provision to be made for future supply of sand and gravel and crushed rock from quarries and the NPPF states the LAA should 'forecast future demand, based on a rolling average of 10 years' sales data and other relevant information, and an assessment of all supply options.'

4. Having reviewed the 2018 figures based on the 10-year sales average data, we also reviewed the 3-years sales average and assessed the implications of the continued growth that is planned across Oxfordshire. To ensure that supply continues to meet demand the **LAA Provision levels** are proposed for the LAA 2019 as follows:

- **Sand and Gravel – 1.015mtpa**
- **Soft Sand – 0.243mtpa**
- **Crushed rock – 0.778mtpa**
- **Recycled and Secondary Aggregates- 0.926mtpa**

5. Using these proposed LAA provision levels and the Oxfordshire reserves at the end of 2018, the Landbank can be calculated as:

- **Sand and Gravel - 12.7 years**
- **Soft Sand - 12.72 years**
- **Crushed Rock - 9.9 years**

6. We will therefore need to identify sites for sharp sand and gravel, soft sand and crushed rock to meet the mineral requirements over the Plan Period.

- **Sand and Gravel - 3.637 million tonnes.**
- **Soft Sand - 0.641 million tonnes**
- **Crushed rock - 1.978 million tonnes**

7. This work is currently being undertaken in the preparation of the Minerals and Waste Local Plan: Part 2 – Site Allocations.

Introduction

8. The National Planning Policy Framework, July 2018 (NPPF) states that mineral planning authorities should prepare an annual Local Aggregate Assessment (LAA). The first Oxfordshire LAA was prepared in 2014. The current Oxfordshire LAA was prepared in 2018 and was approved by Cabinet on 20 November 2018. The LAA 2014 and LAA 2018 are both available on the Council's website.

9. The LAA 2018 was based largely on data up to the end of 2017. More recent information, including data on sales and reserves of aggregate minerals in 2018, is now available. A revised LAA should now be produced taking into account this more up to date information.

10. The LAA sets the level of provision to be made for future supply of sand and gravel and crushed rock from quarries in the county. The NPPF states the LAA should 'forecast future demand, based on a rolling average of 10 years' sales data and other relevant information, and an assessment of all supply options'. The LAA is used to determine the minerals 'landbank' and also provides the basis for the amounts of new mineral working to be provided for in the Minerals and Waste Local Plan.

Revised Local Aggregate Assessment 2019

Sales and Demand

12. The 2018 Oxfordshire aggregate quarry sales and reserves subdivided by mineral type, from the Aggregates Monitoring Survey 2018, are set out in Annex 1:

- Table 1 shows the rolled forward 10 year and 3-year sales averages, with the current LAA 2018 figures and the previous 10 year and 3-year averages for comparison.
- Figures 1-3 show the last 10-year sales compared with the average sales(mtpa) and the LAA 2018 and proposed LAA 2019 provision levels.
- Table 2 shows permitted reserves at the end of 2018.
- Table 3 shows the landbank at the end of 2018, based on the LAA 2018 figures, with the lifespan of the permitted reserves based on the 10 year and 3-year sales averages for comparison.
- Table 4 shows the landbank as at the end of 2018 using the proposed LAA 2019 provision figures
- Table 5 shows the secondary and recycled aggregates sales in Oxfordshire 2009-2018

13. Sales of sharp sand and gravel increased in 2018 but were still below the current LAA level; and there was an increase in the 10-year sales average, this being the first such increase since the LAA 2014 and reversing the previous trend of annual decreases in the 10-year average. The 3-year sales average of sharp sand and gravel increased again and is 21% higher than the 10-year average but still below the LAA level.

14. Sales of soft sand in 2018 remained virtually the same as in 2017, at the highest level since 2004. The 10-year sales average increased again, further above the current LAA level. The 3-year sales average also increased again, to 29% above the current LAA level.

15. Sales of crushed rock fell in 2018 but the 10-year sales average increased is and now above the current LAA level. The 3-year sales average fell slightly but is still 33% higher than the current LAA level.

16. Sales of crushed rock through rail depots (i.e. imported into Oxfordshire by rail) were almost the same in 2018 as in 2017 and were consistent with levels over the previous 3 years. Due to confidentiality issues we are unable to report figures

17. Sales of recycled and secondary aggregates recorded in the survey were 406,000 tonnes in 2018, almost the same as the 417,000 tonnes recorded in 2017, but there was not a complete response to the survey and the actual total sales figures are believed to be higher.

18. The 2018 Aggregates Monitoring Survey did not include movements of aggregates between mineral planning authorities. The most up to date information on imports and exports of aggregates remains that from the 2014 survey, as included in the LAA 2018. There is no other evidence of significant change in import and export factors

19. There is no evidence of significant change in factors that could affect the supply of aggregates in Oxfordshire over the plan period, including continued availability of primary land-based resources and reserves and ongoing

availability of secondary and recycled materials and plant capacity to supply them.

20. There is also no evidence of significant change in factors that could affect demand for aggregate minerals in Oxfordshire over the plan period, including: economic growth; population growth and house construction; major infrastructure projects and key developments.

Main Issues for the Local Aggregate Assessment 2019

21. The key issue to be considered is whether the provision level figures in the current LAA 2018 should be changed in the revised LAA in the light of new information, in particular the sales of aggregate minerals in 2018.

22. If the LAA 2019 is revised to include different provision level figures from those in the current LAA 2018, this would affect the calculation of the landbank. It could also affect the amount of provision for additional aggregate mineral working that should be made in the Minerals and Waste Site Allocations Plan. In addition, subject to any conclusions drawn from the annual monitoring of policies, it could signal a need to consider review of policy M2 in the Minerals and Waste Local Plan, Part 1 – Core Strategy.

23. In the case of sharp sand and gravel, sales in 2018 were still below the current LAA level but the generally upward trend in sales was continued and there was an increase in the 10-year sales average, reversing the previous trend of decreases. The 3-year sales average increased and is 21% higher than the 10-year average, although still below the current LAA level. This is consistent with the expectation of increasing demand and consequent sales when the LAA 2014 provision level figure was set at 1.015 mtpa, which has been continued in subsequent LAAs. Available evidence indicates that supply is likely to increase further in response to rising demand, but there is no justification for a change in the LAA provision level figure for sharp sand and gravel at this time and that the current level of 1.015 mtpa should continue to apply in the LAA 2019.

25. In the case of soft sand, the current LAA provision level figure of 0.189 mtpa was set in the LAA 2014 on the basis of the 10-year sales average at that time; and this has been continued in subsequent LAAs. Since 2014, sales of soft sand have been at levels between 22% and 33% higher than the current LAA figure. There have now been 5 years (2014 – 2018) of sales of soft sand consistently at levels significantly above pre-2014 sales levels and above the LAA figure. My view is that this 5-year period of sales at a consistently higher level reflects an increased level of demand for soft sand that is likely to continue for the foreseeable future, and it is now appropriate to increase the LAA provision level figure for soft sand. I consider the most appropriate new LAA level for soft sand is the current 3-year sales average: 0.243 mtpa.

26. In the case of crushed rock, the current LAA provision level figure of 0.584 mtpa was set in the LAA 2014 on the basis of an upward adjustment of the 10-year sales average at that time; and this has been continued in

subsequent LAAs. Since 2014, sales of crushed rock have been at levels between 22% and 82% higher than the current LAA figure. There have now been 5 years (2014 – 2018) of sales of crushed rock consistently at levels significantly above pre-2014 sales levels and above the LAA figure. My view is that this 5-year period of sales at a consistently higher level is sufficient for it to be concluded that this reflects an increased level of demand for crushed rock that is likely to continue for the foreseeable future. I therefore consider it is now appropriate to increase the LAA provision level figure for crushed rock, and the most appropriate new LAA level for crushed rock is the current 3-year sales average: 0.778 mtpa.

27. In addition to setting provision level figures for local land-won aggregates, the LAA should also include provision levels for other relevant sources of aggregates supply. In the case of Oxfordshire these are recycled and secondary aggregates and aggregate rail depots.

28. In the case of recycled and secondary aggregates, my view is that the appropriate figure to use in the LAA is the provision rate set in the Oxfordshire Minerals & Waste Local Plan: Part 1 – Core Strategy (2017) policy M3. This is 0.926 mtpa.

29. In the case of aggregate rail depots, due to confidentiality reasons we are unable to provide a LAA 2019 provision figure at this stage.

30. My view is therefore that the LAA provision levels in the LAA 2019 should be:

Sharp sand & gravel	1.015 mtpa (unchanged from 2018);
Soft sand	0.243 mtpa (increased from 2018);
Crushed rock	0.778 mtpa (increased from 2018);
Recycled and secondary aggregates	0.926 mtpa (no previous figure)

31. Taking into account permitted reserves at the end of 2018, sales in the years 2014 to 2018 and these proposed LAA 2019 provision levels, the remaining supply requirements for the period 2014 to 2031 are

- **Sand and Gravel - 3.637 million tonnes.**
- **Soft Sand - 0.641 million tonnes**
- **Crushed rock - 1.978 million tonnes**

32. We will therefore need to identify sites for sharp sand and gravel, soft sand and crushed rock to meet the mineral requirements over the Plan Period. This is being undertaken in the Minerals and Waste Local Plan: Part 2 – Site Allocations Plan.

Consultation

31. The NPPF requires the Council to consult and take into account the advice of the South East England Aggregate Working Party (SEEAWP); a draft revised Oxfordshire LAA 2019 is due to be considered at a meeting of SEEAWP on

14 November 2019. Comments from this meeting will be provided orally to the Cabinet.

32. There is no requirement for wider consultation on LAAs. This is a technical document that will form part of the evidence base of future Plan preparation and as such will be published alongside the Site Allocations Plan.

Minerals and Waste Cabinet Advisory Group

35. Preparation of the LAA 2019 was discussed at a meeting of the Minerals and Waste Cabinet Advisory Group on 30th July 2019

36. The CAG members agreed with the provision level for sand and gravel remaining the same as 2018, the revision to the soft sand and crushed rock provision figures and the inclusion of a provision level for secondary and recycled aggregate within the LAA 2019.

Conclusion

37. My view is that the LAA provision levels for sand and gravel in the LAA 2019 should be unchanged from those in the current LAA 2018. However, I consider that the LAA provision levels for soft sand and crushed rock in the LAA 2019 should be revised to meet the demand that is likely to continue for the foreseeable future. The 3-year sales average is therefore used to provide the LAA 2019 provision level. I also consider that a LAA provision level for secondary and recycled aggregates should be included within the LAA 2019 and this should be as set out within the adopted Core Strategy.

38. The previous LAA 2018 has therefore been updated to reflect these changes. The draft LAA 2019 has been provided to SEEAWP for consideration at its meeting on 14 November. The draft is also available in the Members Resource Centre. I consider that this draft Oxfordshire LAA 2019 should be published when it has been finalised by the Director for Planning & Place.

Financial and Staff Implications

39. The Minerals & Waste Plan is included within the work priorities of the Communities Directorate and is in part being progressed within the existing mainstream budget for the Council's minerals and waste policy function. The LAA forms part of this work-stream and it does not raise any additional financial or staff implications.

Legal Implications

41. Under the Planning and Compulsory Purchase Act 2004 (as amended) and the NPPF, the Council is required to prepare, monitor and, as necessary, review a minerals and waste local plan. An annual LAA, as required by the NPPF, is an essential part of the evidence base for a "sound" minerals and waste local plan and is also needed to enable the plan to be monitored. Under the Localism Act 2011, the Council is required to meet the duty to cooperate

in the preparation of local plans and related activities in relation to strategic matters.

Risk Management

42. Having an up to date and robust LAA in place is necessary for the effective monitoring of the adopted Core Strategy and to provide an indicator for when consideration needs to be given to review of the plan. It will assist the preparation of the Site Allocations Plan including in helping the Council to demonstrate that the Core Strategy continues to provide a sound basis for it. It will be an important factor in the determination of planning applications for mineral working where the size of the landbank is a material consideration.

SUSAN HALLIWELL
Director for Planning & Place

Annex: Aggregates Monitoring Survey & Analysis - Quarry Sales and Reserves in Oxfordshire 2003 – 2018

Background papers: Draft Local Aggregates Assessment 2019

Contact Officer: Charlotte Simms – Senior Minerals and Waste Planning Officer
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Annex 1

Aggregates Monitoring Survey & Analysis
Quarry Sales and Reserves in Oxfordshire 2003 – 2018

Figures for Oxfordshire on sales of aggregate minerals from quarries and permitted reserves at quarries for 2018 are now available from the Aggregates Monitoring Survey 2018 for the South East England Aggregate Working Party (SEEAWP).

Table 1 shows the 10 year rolling averages of sales from quarries, for the 10-year period 2009 – 2018. The six previous 10-year sales averages for shown for comparison. Recalculated 3 year rolling averages of sales for 2016 – 2018 are also shown, with the previous 4-year sales averages for comparison. Table 2 also shows the (current) LAA 2014 & 2018 provision figures and the proposed LAA 2019 provision figures.

Figures 1 – 3 show the comparison between Sales and the 10-year average, 3 year average and LAA Provision level.

Table 2 shows the permissions granted in 2018 and the reserves at the end of 2018, with a comparison with 2017.

The landbank at the end of 2018 based on the Local Aggregate Assessment 2018 (LAA) provision levels is shown in Table 3, with equivalent 'landbank' figures based on the 10 year and 3 year sales averages included for comparison. Table 4shows the Landbank using the proposed LAA 2019 provision levels.

Table 5 shows sales of recycled and secondary aggregates for the years 2009 to 2018.

The 2018 survey did not include the destination of sales of aggregate minerals from quarries. Information on movements of aggregates into and out of Oxfordshire from the 2014 Aggregate Minerals Survey for England and Wales, which has been collated nationally by the British Geological Survey for DCLG, is included in the LAA 2018.

Table 1: Oxfordshire Quarry Sales 2009–2018 and 10 Year Sales Averages 2003- 2018

Year	Soft Sand (m. tonnes)	Sharp Sand & Gravel (m. tonnes)	Crushed Rock (m. tonnes)
2009	0.165	0.462	0.363
2010	0.142	0.455	0.272
2011	0.201	0.489	0.322
2012	0.155	0.559	0.242

2013	0.165	0.401	0.502
2014	0.230	0.639	1.061
2015	0.233	0.768	0.914
2016	0.227	0.651	0.715
2017	0.251	0.703	0.867
2018	0.252	0.796	0.751
10 year average 2003-2012	0.189	0.812	0.470
10 year average 2004-2013	0.182	0.715	0.458
10 year average 2005-2014	0.176	0.660	0.508
10 year average 2006-2015	0.179	0.628	0.543
10 year average 2007-2016	0.184	0.595	0.565
10 year average 2008-2017	0.192	0.576	0.580
10 year average 2009-2018	0.202	0.592	0.601
3 year average 2014-2016	0.230	0.686	0.897
3 year average 2015-2017	0.237	0.707	0.832
3 year average 2016-2018	0.243	0.717	0.778
LAA 2014 & 2018 provision figures	0.189	1.015	0.584
LAA 2019 provision figure	0.243	1.015	0.778

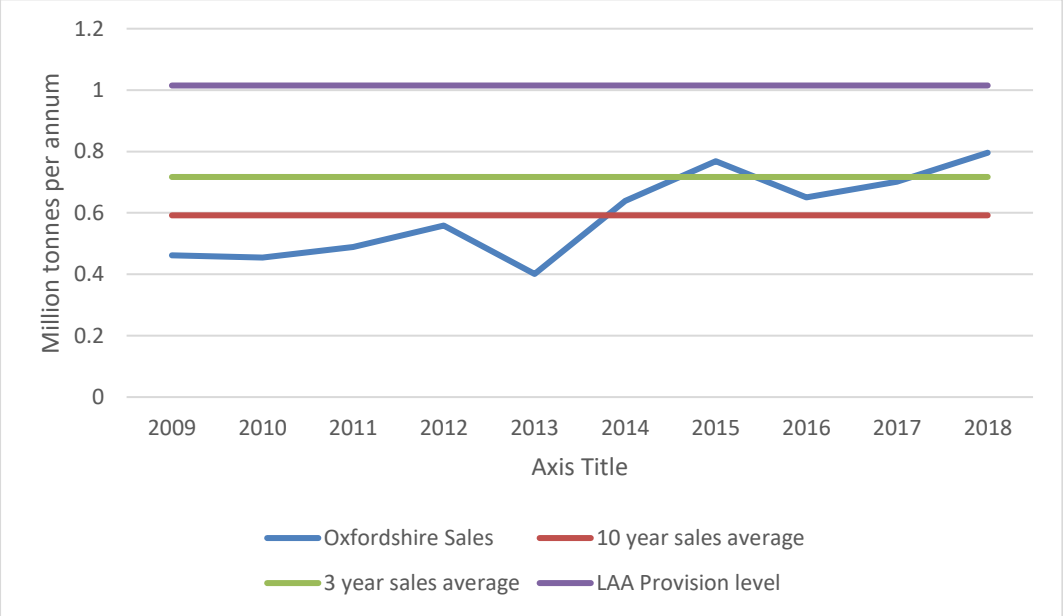

Figure 1 Comparison of actual sharp sand and gravel sales compared with the average sales(mtpa) and the LAA 2019 provision level.

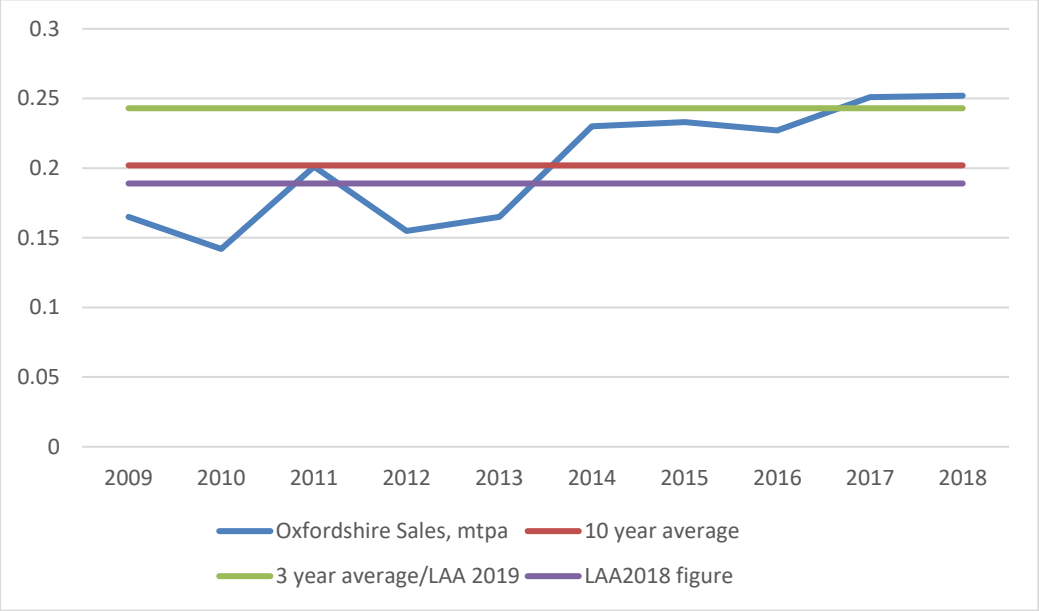

Figure 2 Comparison of actual soft sand sales compared with the average sales and the LAA 2019 and LAA 2018 Provision levels (mtpa).

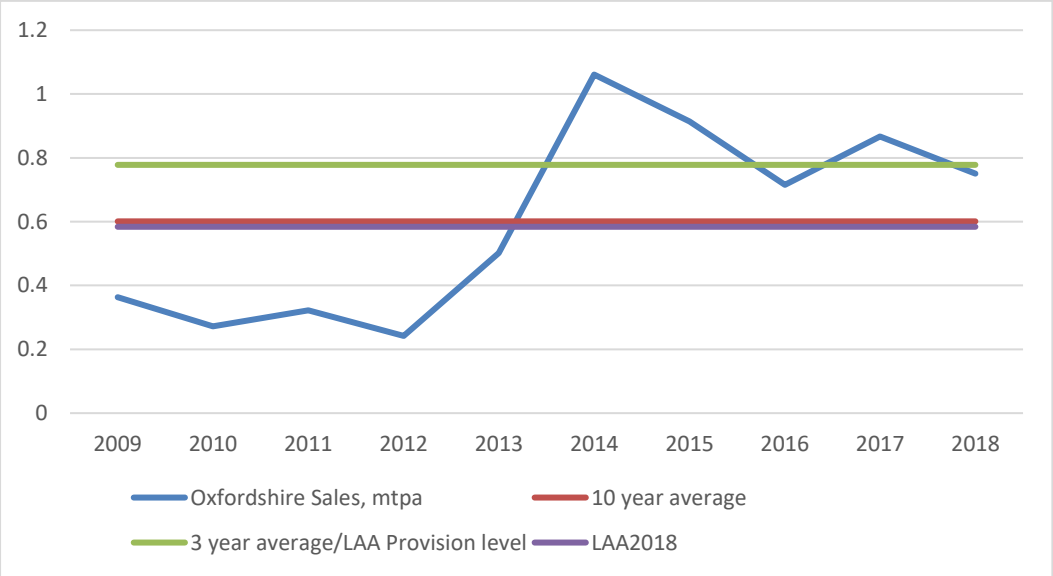

Figure 3 Comparison of actual crushed rock sales compared with the average sales and the LAA 2019 and LAA 2018 Provision levels (mtpa).

Table 2: Permissions Granted in 2018 and Permitted Reserves at Oxfordshire Quarries at end 2018 (*with 2017 for comparison*)

Mineral	*Reserves at 31.12 2017*	Permitted in 2018	Reserves at 31.12.2018 (m. tonnes)

	(m. tonnes)	(m. tonnes)	
Soft Sand	*3.105 mt*	0	**3.091mt**
Sharp Sand & Gravel	*10.805 mt*	3.0mt	**12.925mt**
Crushed Rock	*9.318 mt*	0	**7.718 mt**
Total Aggregate	*23.228 mt*	3.0mt	**23.734 mt**

Notes: Reserves permitted in 2018 include: 0.5 mt sharp sand & gravel at Bridge Farm (Sutton Courtenay) Quarry (permitted 01.06.18); and 3.0 mt sharp sand & gravel at New Barn Farm Cholsey (permitted 08.11.18).

Table 3: Oxfordshire Landbank at end of 2018

Permitted Reserves at 31.12.2018 by Mineral type.	**Landbank based on LAA 2018 provision figures**	***Lifespan of reserves based on 10 years sales average (2009-2018)***	***Lifespan of reserves based on last 3 years sales average (2016-2018)***
Soft Sand – 3.091 m. tonnes	16.4 years at 0.189mtpa	*15.3 years at 0.202 mtpa*	*12.7 years at 0.243*
Sharp Sand & Gravel – 12.925 m. tonnes	12.3 years at 1.015mtpa	*21.8 years at 0.592mtpa*	*18 years at 0.717mtpa*
Total Sand and Gravel 16.016m.tonnes	13.3 years At 1.204	*20.1 years At 0.795mtpa*	*16.7 years at 0.961mtpa*
Crushed Rock – 7.718 m. tonnes	13.2 years at 0.584 mtpa	*12.8 years at 0.601 mtpa*	*9.9 years at 0.778 mtpa*
Total Aggregate – 23.734 m. tonnes	13.3 years at 1.788mtpa	*17 years at 1.396mtpa*	*13.7 years at 1.738mtpa*

Note: The national Planning Practice Guidance states that the landbank is the sum of all permitted reserves divided by the annual rate of future demand based on the latest annual Local Aggregate Assessment.

Table 4. The Landbank as at the end of 2018 using the proposed LAA 2019 provision figures

Permitted Reserves at 31.12.2018 by mineral type	**Landbank (LAA 2019 provision figures)**
Soft Sand 3.091 m. tonnes	12.72 years at 0.243mtpa
Sharp Sand & Gravel 12.925 m. tonnes	12.7 years at 1.015mtpa

Crushed Rock 7.718 m. tonnes	9.9 years at 0.778 mtpa

Table 5: Secondary and Recycled Aggregates Sales in Oxfordshire 2009-2018

Year	Sales (m. tonnes)
2009	0.286
2010	0.152
2011	0.236
2012	0.466
2013	0.422
2014	0.271
2015	0.453
2016	0.534
2017	0.417
2018	0.406

Note: Sales figures are from SEEAWP Aggregates Monitoring Surveys. These surveys only cover known fixed sites and therefore do not capture production from all sites. The level of response from site operators to the surveys varies but has never been complete. Therefore, these sales figures are almost certainly under-recorded.